



SMALL PROCUREMENT DOCUMENTS

for Construction Related Professional Services - RFP, Proposal & Award per
AS 36.30.320 and 2 AAC 12.400

PART A - REQUEST FOR PROPOSALS

NOTE: State Small Procurement Limit is \$200,000; FHWA Small Procurement Limit is \$150,000;
FAA / FTA Small Procurement Limit is \$100,000

GENERAL INFORMATION

These documents consist of three parts (Part A - Request for Proposals; Part B - Proposal Form; Part C - Contract Award, Notice to Proceed & Invoice Summary), -- **plus the current edition dated of the Standard Provisions Booklet** (DOT&PF Standard Provisions for Small Procurements of Construction Related Professional Services) that is hereby incorporated by reference. The Booklet will not be distributed with any of the three parts; however a

copy may be obtained on our website at the following link: <http://www.dot.state.ak.us/procurement>. The Booklet contains copies of the Small Procurements Procedure (Chapter 2 of the PSA Manual), Appendix A (General Conditions), Appendix C (Compensation), Exhibit C-1 (Methods of Payment), Appendix D (Indemnification and Insurance), and Appendix E (Certification for Licenses and Insurance).

Project Title: Independent Audit Services		Contracting Agency: Knik Arm Crossing Project	
Project Number(s): 56047		RFP #: KAC-16-1	
Project Site (City, Village, etc.) Anchorage, Alaska			
Agency Contact: Judy J. Dougherty		Phone: (907) 269-6698 Fax: (907) 269-6697	
Estimated Amount of Proposed Contract:		<input checked="" type="checkbox"/> less than \$50,000 <input type="checkbox"/> \$50,000 to \$100,000 <input type="checkbox"/> \$100,000 to \$150,000 <input type="checkbox"/> \$150,000 to \$200,000	
Funding Source (check all that apply): <input checked="" type="checkbox"/> State <input type="checkbox"/> FHWA <input type="checkbox"/> FAA <input type="checkbox"/> FTA <input type="checkbox"/> Other:			
REQUIRED SERVICES: <input checked="" type="checkbox"/> are described in the enclosure consisting of 4 pages, dated 7/15/15 OR: <input type="checkbox"/> are described as follows:			
Note: Offerors shall carefully review this solicitation for defects and questionable or objectionable material. Comments concerning defects and objectionable material must be made in writing and received by the purchasing authority before proposal due date. This will allow issuance of any necessary addenda. It will also help prevent the opening of a defective solicitation and exposure of Offeror's proposals upon which award could not be made. Protests based upon any omission, error, or the content of the solicitation will be disallowed if not made in writing before the proposal due date.			
PERIOD OF PERFORMANCE:		Begin: 8/17/15 End: 7/31/16	

PROPOSAL FORMAT

Written proposals to provide the required services shall consist of the enclosed "Part B - Proposal Form", completed as indicated, plus a **letter not to exceed five (8.5" x 11") pages**. If a Price Estimate

is required, the page limit does not include the Price Estimate. Proposals that exceed the page limit may be disqualified. Proposals may be faxed or hand delivered to the Contracting Agency.

PRICE AND METHOD OF PAYMENT

☐ **A Price Estimate is NOT required with your proposal.** The selected Offeror shall submit a Price Estimate within **one** business day following a request from the Contracting Agency.

☒ **A Price Estimate is required with your proposal.**

A Price Estimate shall include all tasks to perform the contract and be prepared in the format shown below. Note that a Price Estimate is not a bid. It is a negotiable offer. A Fixed Price contract is desirable; however, a Cost Reimbursement contract may result if a Fixed Price cannot be negotiated.

PRICE ESTIMATE FORMAT (if required per above)

1. * Direct Costs of Direct Labor (DCDL). Provide a table with the following columns (Names required only for key staff and persons "in-responsible-charge"):

<u>Job Classification</u>	<u>Name</u>	<u>Total Hours</u>	<u>Rate (\$/hr) *</u>	<u>Estimated Cost (\$)</u>	<u>Total DCDL \$</u> _____
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 2. * Indirect Costs (IDC). IDC Rate: _____% Total IDC \$ _____
 3. Subcontracts. List each, the amount for each and **attach an estimate in this format for each.** Total Subcontracts \$ _____
 4. Expenses. (Equipment, transportation, food and lodging, reproduction, etc. - if not included in Indirect Costs.) Amounts shall be based on actual cost to the Offeror, without any profit or other markup. Provide a table with the following columns:

<u>Item</u>	<u>Quantity</u>	<u>Cost (\$/Unit)</u>	<u>Estimated Cost (\$)</u>	<u>Total Expenses \$</u> _____
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 5. * Total Estimated Cost. Sum of DCDL + IDC + Subcontracts + Expenses. Total Cost \$ _____
 6. * Proposed Fee. List a proposed **amount** (not a percentage) for profit. Fee \$ _____
 7. Total Estimated Price. Sum of Total Estimated Cost plus Proposed Fee. Total Price \$ _____
- * Sole proprietorships and small firms that do not maintain an accounting system that separately identifies costs for "payroll" benefits and overhead, for routine allocation of such costs to jobs, may omit items 2, 5, & 6 if the Rates (\$/hr) in Item 1 are proposed as Billing Rates (DCDL + IDC + FEE). **Firms that routinely allocate Indirect Costs to projects may not use Billing Rates for this estimate.**

SUBMITTAL DEADLINE AND LOCATION

DATE: **July 31, 2014**

PREVAILING TIME: **4:30 p.m.** FAX #1: **(907) 269-6697**

OR FAX #2:

Hand deliver proposal directly to following location, and person, if named; or Fax to a number above:

Attn: Kevin P. Hemenway, Knik Arm Bridge Project, 820 E. 15th Avenue, Anchorage, Alaska 99501

Late proposals will not be considered. **Offerors** are responsible to assure timely delivery and receipt and **are encouraged to respond at least four business hours prior to the above deadline.** Any addendum issued less than 24 hours prior to a Deadline will extend that Deadline by a minimum of an additional 24 hours. The Contracting Agency shall not be responsible for any communication equipment failures or congestion and will not extend the deadline for any proposals not received in their entirety prior to the deadline. Except for hand delivered proposals, confirmation of receipt by telephone or other means four hours or less prior to deadline will **not** be provided. (An out-of-town/state Offeror may electronically transmit their proposal to a local personal representative who may reproduce a copy of it and deliver it "in person" to the submittal location prior to the deadline.)

BASIS OF SELECTION

This solicitation does not guarantee that a contract will be awarded. All proposals may be summarily rejected. Our intent, however, is to select a Contractor based on the following criteria:

- | | |
|---|--|
| 1) Demonstrated comprehension of required services and proposed strategy for performance.
2) Relevant experience and credentials of proposed personnel including any subcontractors. | 3) Reasonableness of proposed schedule for performance.
4) Price Estimate (<i>if</i> required with proposal).
5) Other (specify): |
|---|--|

Proposals will be evaluated per Chapter 2 of the DOT&PF PSA Manual.

END OF PART A

Knik Arm Bridge and Toll Authority

Independent Financial Audit Services

RFP# KAC-16-1

Proposed Statement of Services

1. The contractor shall provide:

A. Independent Financial Audit Services

The selected independent public accounting firm shall conduct an annual audit of the financial statements of the Knik Arm Bridge and Toll Authority (KABATA) at and for the fiscal year ending June 30, 2015 and express an opinion based on their findings.

The contractor shall also provide a "Management Letter" as to internal control and communications to the Audit Committee of the KABATA Board of Directors as to the conduct of the audit as required under generally accepted auditing standards.

In addition, the contractor shall provide assistance to KABATA to complete its Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2015 as required. The scope of this work is expected to be primarily related to a compliance review against GFOA requirements, conformance with the basic financial statements, and consistency for the introductory and statistical sections of the CAFR with the financial section.

The contractor shall also provide prompt notification of all new authoritative pronouncements which may affect asset valuations, accounting treatments, financial statement presentation, or affect the ability to obtain an "unmodified opinion" on the financial statements.

KABATA may, at its sole discretion, extend the contract for up to three additional one-year terms covering successive fiscal years ending after June 30, 2015, subject to acceptable fee negotiations with the contractor for each extension.

B. Audit Related and Non-Audit Services

The following audit related and non-audit services may be required by KABATA from time to time and would be performed on an as requested basis by contractor for KABATA for mutually agreed to negotiated fees and expenses, which negotiations will be conducted in good faith. There is no guarantee that additional audit related and non-audit services will be requested of the independent public accounting firm, and KABATA is not obligated to utilize any of the following services:

- a. Financial statement presentation
- b. Interpretation and application of GASB statements and other applicable professional releases
- c. Internal accounting controls
- d. Forms of presentation, including new methods of presentation of annual reports for both financial and performance measurement purposes
- e. Electronic data processing system reviews and controls
- f. Other statutory, regulatory and administrative rulings and law that may affect the operations of KABATA.

2. Description of the Knik Arm Bridge and Toll Authority (KABATA)

The Knik Arm Bridge and Toll Authority was created in 2003 by the Alaska Legislature under Alaska Statute 19.75. The purpose of KABATA is to develop, stimulate, and advance the economic welfare of the state and further the development of public transportation systems in the vicinity of the Upper Cook Inlet with operation and maintenance of a bridge to span Knik Arm and connect the Municipality of Anchorage and the Matanuska-Susitna Borough.

KABATA is a public corporation and an instrumentality of the State of Alaska within the Department of Transportation and Public Facilities (ADOT&PF). KABATA has a separate and independent legal existence from the state. It is a business type enterprise fund and uses the economic measurement focus and accrual basis accounting.

KABATA is in the planning and development stage and has previously been audited for fiscal years ended June 30, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013 and 2014. KABATA's financial statements presented for each of those years received an unqualified or unmodified opinion from the independent auditors. KABATA has also received the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting for each of the years it has applied for the award (fiscal 2006 through 2014).

3. Significant Change from Previous Audits

During the 2014 Alaska Legislature's regular session, a bill was passed transferring the construction and ownership of the Knik Arm Crossing from KABATA to ADOT&PF and changing KABATA's role in the Project solely to operating and maintaining it, including the collection of tolls, once opened to service. The effective date of the transfer was July 1, 2014, and it had a significant impact on the operations and net assets of KABATA. The transfer of ownership and construction had the effect of transferring substantially all construction work in progress and net assets invested in capital assets (approximately \$60 million) from KABATA to ADOT&PF. As a result, KABATA has no capital asset activity for fiscal 2015 (other than the transfer) and operating expenses are expected to be less than \$300,000 once the books are closed, significantly reducing the scope and size of the audit and the number of transactions involved, as the majority of previous activity in terms of dollars was associated with CWIP. An additional factor for the fiscal 2015 audit is the changes in procedures as a result of the legislation for recording expenditures, internal controls, etc. Despite this significant change and the fact the bridge is unlikely to be opened to service for several years, KABATA is still required to prepare an audited CAFR under AS 19.75.111(b)(1). These factors should be considered in proposing on the audit of KABATA for FY 2015.

4. Location of Work

The work is to be performed at KABATA's offices at 820 East 15th Avenue, Anchorage, Alaska. Record keeping practices may require certain audit procedures to be performed at ADOT&PF offices, located in Anchorage and (potentially) Juneau, Alaska. Sufficient workspace will be provided to the contractor. Auditor may complete procedures not requiring fieldwork at their offices.

5. Approximate Work Schedule

The following represents the approximate work schedule dates, and is subject to adjustment. Additionally, this table does not consider the potential timing of other audit related services or consulting and advisory services that may be requested of contractor by KABATA.

Date	Task or Activity
8/17/2015	Contract begins, contractor authorized to begin preliminary field work
8/27/2015	Audit plan presented to Audit Committee of the Board of Directors
8/31/2015	Preliminary close of accounting records and draft financial statements prepared by KABATA
9/8/2015	Auditors begin field work
9/30/2015	Field work complete, draft audit report and audited financial statements delivered and reviewed with KABATA
10/9/2015	Final draft audit report and financial statements delivered

	Audit communication as to the conduct of the audit prepared for Audit Committee of the Board of Directors Draft management letter prepared for KABATA and Audit Committee of the Board Auditors attend October board meeting to report to Audit Committee of Board of Directors
10/24/2015	Draft of CAFR prepared for auditor's review and comment
11/3/2015	CAFR finalized and delivered to publishing layout contractor
12/15/2015	Annual Report and CAFR final printed

6. Link to Previous CAFR

The previous Comprehensive Annual Financial Report includes the basic audited financial statements, and is available at http://knikarmbridge.com/wp-content/uploads/2015/01/KAB153-Annual-Report_WEB.pdf.

KABATA anticipates FY2015 financial position and results of operations to be significantly reduced from prior years due to the effects of transferring construction and ownership of the KAC from KABATA to ADOT&PF, as explained in section 3 of this statement of services.



Alaska Department of Transportation & Public Facilities

SMALL PROCUREMENT DOCUMENTS
PART B - PROPOSAL FORM

THIS COMPLETED FORM MUST BE THE FIRST PAGE. NO OTHER COVER SHALL BE USED.

Project Title: Independent Audit Services
RFP No.: KAC-16-1

PROPOSAL REQUIREMENTS

Proposals shall demonstrate comprehension of the objectives and services for the proposed contract; include a brief overview of what will be done; and show a sequence and schedule for each important task. Assumptions made in formulation of the proposal and the support expected from the Contracting Agency shall be defined. The key individuals who will perform services shall be named (including all who would be "in responsible charge" (Ref: AS 08.48) for Architecture, Engineering and/or

Land Surveying with their Alaska registration number). Include a brief -- about one paragraph -- statement for each person named which describes **experience directly related** to the service(s) they will perform. Proposed subcontracts, if any, shall be explained. Resources -- support personnel, facilities, equipment, etc. -- current and projected workload could be summarized. Any **unique** qualifications or knowledge of the project, project area, or services to be provided, should be identified.

ALASKA STATUTORY PREFERENCES

☐ are ☒ are not applicable to this contract.

If applicable, check those preferences that you (Offeror) claim.

☐ Alaska Bidder (Offeror) AND >> ☐ Veterans AND >> ☐ Employment Program OR ☐ Disabled Persons
2 AAC 12.260(d) AS 36.30.175 if applicable AS 36.30.170(c) AS 36.30.170 (e & f)

Invalid claim(s) will result in the Offeror's disqualification for contract award.

PROPOSAL

The undersigned has reviewed Part A - RFP of these documents, understands the instructions, terms, conditions, and requirements contained therein and in the Standard Provisions Booklet, and proposes to provide the required services described in Part A in accordance with the attached letter which constitutes our proposal to complete the project.

By my initials below, I certify that the Offeror and all Subcontractors identified in the Proposal shall comply with all requirements for the following items as explained in the Standard Provisions Booklet:

- [] Alaska Licenses and Registrations.
[] Insurance, including Workers' Compensation, Comprehensive or Commercial General Liability, and Comprehensive Automobile Liability.
[] Professional Liability Insurance as follows:
☐ As available.
☐ Minimum of \$300,000.
☐ Minimum of \$500,000.
[] Certification for Federal-Aid Contracts Exceeding \$100,000 (DOT&PF Form 25A262 Appendix A, General Conditions)

For Small Procurements over \$50,000, by signature on this form, the Offeror certifies that all services provided under this contract by the Contractor and all Subcontractors shall be performed in the United States. If the offeror cannot certify that all work is being performed in the United States, the Offeror must contact the Contracts Officer to request a waiver at least 24 hours prior to proposal deadline. The Offeror must provide with their submission a detailed description of the portion of work being performed outside the United States, where, by whom, and the reason the waiver is necessary. Failure to

comply with this requirement may cause the state to reject the proposal as non-responsive, or cancel the contract.

I further certify that I am a duly authorized representative of the Offeror; that this Proposal accurately represents capabilities of the Offeror and Subcontractors identified for providing the services indicated. I understand that these Certifications are material representations of fact upon which reliance will be placed if this contract is awarded and that failure to comply with these Certifications is a fraudulent act. The Contracting Agency is hereby authorized to request any entity identified in this proposal to furnish information deemed necessary to verify the reputation and capabilities of the Offeror and Subcontractors. This proposal is valid for at least ninety days.

Signature and Date

Name..... :
Title :
Offeror (Firm)..... :
Street or PO Box :
City, State, Zip..... :
Telephone - Voice :
Telephone - Fax :

Federal Tax Identification No..... :

Type of Firm (Check one of the following):

- ☐ Individual ☐ Partnership
☐ Corporation in state of..... :
☐ Other (specify)..... :

END OF PART B